
TFFR Board Proposes Study Bill

The TFFR Board has submitted Bill No. 68 to the interim Legislative Employee Benefits Programs Committee for study. The effective date of the proposed bill is July 1, 2007.

The proposal:

- Increases employer contributions from 7.75% to 8.75% of active member salary. Member contributions will remain at 7.75%.
- Requires employer contributions of 16.50% of reemployed retiree's salary under the general rule and critical shortage options. Employer contributions would be reduced to 8.75% when a retiree exceeds the annual hour limit under the general rule and member contributions become due.
- Creates a new tier of reduced benefits for new TFFR members employed on or after July 1, 2007.
- The employer and the teacher/legislator may enter into an agreement by which payment for any lost service and salary is made as though the teacher was not on a legislative leave of absence. Under such an agreement, member and employer contributions are calculated and paid using the teacher's annual salary without reduction for the leave of absence. One important benefit in selecting this option is that the teacher's entire salary is reported to TFFR. This is beneficial should the member retire in the next few years, become disabled, or pass away.
- If an agreement is not made, do not report the teacher to TFFR for the unpaid days. If a teacher is compensated for 700 hours or more, the teacher still earns a full year of service credit. An active member who serves in the ND Legislature is allowed to purchase service credit lost while in attendance at legislative sessions and/or legislative committee meetings.

Enclosed is a summary of all legislative proposals affecting TFFR. If you have any questions regarding the impact of proposed legislation on your school district, please contact the administrative office.

Teachers/Legislators

If any of your TFFR employees are serving in the 2007 Legislative Assembly, please submit a member action form indicating the legislative leave of absence. The options available for reporting these members to TFFR are summarized below.

Employer Service Purchase

An employer may elect to purchase up to three years of service credit on behalf of an active TFFR member under certain conditions. The conditions are outlined on the back of the Employer Service Purchase form which can be obtained by accessing our website at www.nd.gov/rio. This credit is used towards a member's retirement eligibility and benefit calculation.

The employer must develop written guidelines to determine which employees are eligible to receive an employer service purchase. In developing guidelines, the employer must comply with

applicable state and federal laws, including the federal Age Discrimination in Employment Act (ADEA). Employers should work with legal counsel in developing appropriate policies to ensure legal compliance.

TFFR is not itself a party to the agreement between the employer and the member. In general, TFFR will provide the purchase price amount to the employer, and if the service is purchased, TFFR will credit the service to the member. At retirement, the employee’s benefits will be calculated using all years of service credit (earned and purchased). TFFR will also determine compliance with IRC Section 415 benefit limitations.

TFFR member information may be disclosed to a member’s participating employer, limited to information concerning the member’s years of service credit, years of age, employer and member contribution amounts, and salary. The board may share other types of information as needed by the employer to validate the employer’s compliance with existing state or federal law. Any information provided to the member’s participating employer must remain confidential.

Due to these statutory requirements, an employer may not share this confidential retirement information with others and may not provide it to the school board during an open meeting.

Confidentiality of Records

**Happy
Thanksgiving!!**

All records relating to the retirement benefits of a member or a beneficiary under ND Century Code 15-39.1-30 are confidential and are not considered public records. However, limited disclosure of certain information can be provided to a member’s employer. To summarize state law:

2005-06

Return To Teach Statistics

Total Retirees: 175 Average Age: 60

